IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO. 37 OF 1998.

The Federal Bank Ltd.
Banking Company incorporated under
the Companies Act, 1956 having its
registered office at Aluva, Kerala
and having one of its branches at
A-8, Laram Centre, S.V.Road,
Andheri (West), Mumbai 400 058. ... Plaintiff.

Versus.

Mrs.Sushma J.Arora.
of Mumbai, Indian Inhabitabt,
residing a 101-A, Pearl Apts.,
Lokhandwala Complex, Andheri
(West), Mumbai 400 053. ... Defendant.

Shri O.A.Das for the Plaintiff.

None for the Defendant.

CORAM : ABHAY S.OKA, J.

DATED : 6th July, 2007.

ORAL JUDGMENT.:

1. Heard the learned Counsel appearing for the Plaintiffs. The Plaintiffs have filed an affidavit in lieu of evidence of one Mr.John Danial,Manager (Administration- Legal) of the Plaintiff. The affidavit is taken on record and marked "X" for identification. The original documents relied upon in the plaint are tendered along with a list of the documents. The list of the documents along with original documents are taken on record and marked "Y" (collectively) for identification.

2. According to the case of the Plaintiff, on an application made by the Defendant, a demand loan of Rs.5 lakhs was sanctioned to the Defendant against the pledge of certain equity shares of a company. The loan was disbursed to the Defendant against the execution of demand promissory note, a letter of pledge, a security delivery letter. As the Defendant failed to repay the amount as per the terms and conditions of grant of loan, a notice of demand was issued on 4th February 1997 by the Advocate for the Plaintiff. The Plaintiff has also produced a certified true extract of the loan account of the Defendant. The execution and contents of the documents relied upon by the Plaintiff are proved by the affidavit in lieu of evidence of Mr.John Danial. There is no written statement filed by the Defendant. Considering the evidence on record, this is a fit case for passing a decree under Rule 10 or Order VIII of the Code of Civil Procedure, 1908. The Plaintiff has prayed for a further interest at the rate of 22.25% per annum. Considering the facts and circumstances of the case, interest deserves to be granted at the rate of 15% per annum.

3. Hence, there will be a decree in terms of prayer clause (b) with modification that the interest payable will be at the rate of 15% per annum on the suit claim

from 15th December 1997 till payment or realisation. The Defendant will pay costs of the suit to the Plaintiff.

4. The Plaintiff is at liberty to execute the decree before the sealing of the decree.

5. The plaintiff is entitled to refund of Court fee, if any, in accordance with rules.

Judge.